

City of Franklin Addendum No. 3 to

Purchasing Office Solicitation No.: 2012-023

1. Solicitation identified: This Addendum No. 3 applies to the following procurement:
liability, property and workers' compensation insurance products and services
Purchasing Office Solicitation No.: 2012-023
2. Notice to Proposers publication date: **December 15, 2011**
3. Solicitation release date: **December 15, 2011**
4. Optional Pre-Submittal Conference: **January 18, 2012, 2:00 p.m. Central Time, City Hall Board Room**
5. Addendum No. 1 release date: **January 25, 2012**
6. Addendum No. 2 release date: **February 7, 2012**
7. Deadline for optional submittal in writing of questions seeking to revise or clarify any aspect of this procurement solicitation: **February 14, 2012, 2:00 p.m. Central Time**
8. Addendum No. 3 release date: **February 15, 2012**
9. Proposals submittal deadline, opening: **March 1, 2012, 2:00 p.m. Central Time**
(Proposers are welcome but not required, or even expected, to attend the opening of all proposals received. No presentations will be conducted at this time.)
10. Tentative date of interviews, if necessary, of one or more finalists: **Week of March 19, 2012**
11. Tentative date of release of City's tabulation of proposals received and notice of intent to award: **April 13, 2012**
12. Tentative date of award: Meeting of Board of Mayor and Aldermen at which is tentatively scheduled to be awarded the selection of the proposal that best meets the needs of the City: **April 24, 2012**
13. Effective date of policy or policies: **July 1, 2012, unless otherwise directed by the City of Franklin**

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14. Addendum:

In reference to the City of Franklin's December 15, 2011 Purchasing Office Solicitation No. 2012-023 for liability, property and workers' compensation insurance products and services, the City has been asked certain questions about the solicitation by one or more vendors who are potential proposers.

The purpose of this Addendum No. 3 is to provide to all vendors who are known or thought to be interested in responding to the referenced solicitation the City's responses to the questions that have been asked prior to February 14, 2012 but have not already been answered by Addenda Nos. 1 and 2. (Please note that additional questions have been received by the City on February 14, 2012, before the 2:00 p.m. Central Time question submittal deadline on that date, which will be addressed in a subsequent addendum.)

Please note that the submittal deadline and scheduled opening of all proposals received remains unchanged and is:

March 1, 2012, 2:00 p.m. Central Time

Below are the questions asked prior to February 14, 2012 and not answered by Addenda Nos. 1 and 2, and the City's responses thereto:

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Q1: Are the three EOC Radio Towers listed on the EDP schedule the same towers as those listed on the Property Schedule as locations #15, #17, and #19?

A1: Yes.

Q2: Do you have a Replacement Cost for the buildings at the Old 84 Lumber location? The purchase price was given and this value includes the land which is uninsurable, therefore premium would be charged on an uninsurable exposure.

A2: To replace the existing structures as they sit, it would be approximately \$1.4 million to replace everything that is on the site, including the concrete pads and electrical.

Q3: Does the City still have the following pieces of Mobile Equipment? If so can an Actual Cash Value be provided?

- Toro Groundsmaster 5900D #...0139
- 1976 Caterpillar 420D Backhoe Loader #...FDP22925
- Thermomark 1500D Striping Machine
- Falcon/Tommy Hawk Striping Machine #...1064
- New Holland Tractor #...7222-BA

A3: Please see below:

Mobile Equipment	Does the City still have?	Actual Cash Value
Toro Groundsmaster 5900D #...0139	No	N/A
1976 Caterpillar 420D Backhoe Loader #...FDP22925	Yes	\$50,000
Thermomark 1500D Striping Machine	Yes	\$69,000
Falcon/Tommy Hawk Striping Machine #...1064	No	N/A
New Holland Tractor #...7222-BA	No	N/A

Q4: Does the City still have the following equipment listed under EDP? If so can a Replacement Cost be provided?

- Wireless Network
- SCADA System
- 800 MHz Trunked System
- AT&T Positron Public Safety System
- Computer System Disaster Recovery

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A4: Please see below:

Equipment listed under EDP	Does the City still have?	Replacement Cost
Wireless Network	Yes	Can't answer – wireless network is all over city
SCADA System	Yes	3 Radio towers – each one would cost \$2,000,000 to replace.
800 MHz Trunked System	Yes	Hard to answer – it is city wide.
AT&T Positron Public Safety System	Yes	Getting ready to sell on GovDeals
Computer System Disaster Recovery	Yes	Between City Hall and Station 6 it would be \$325,000 to replace

Q5: Please provide historical payroll information for the past five complete policy periods (2006-2007, 2007-2008, 2008-2009, 2009-2010, 2010-2011). This payroll information simply needs to be the total payroll for Franklin per year and does not need to be itemized by class codes.

A5: Please see below:

Policy period	Total payroll for City of Franklin
July 1, 2006 through June 30, 2007	\$25,571,598.73
July 1, 2007 through June 30, 2008	\$28,337,823.66
July 1, 2008 through June 30, 2009	\$30,299,674.86
July 1, 2009 through June 30, 2010	\$30,147,177.27
July 1, 2010 through June 30, 2011	\$30,073,089.68

Q6: Updated loss runs for the past seven years as of 1/1/2012. The loss runs that you provided were as of 10/1/2011 and some carriers need updated, more currently valued loss runs.

A6: See new Appendix No. 8, “Franklin, TN Claims Loss Listing by FY, as of 2-1-2012,” available upon request made to the Purchasing Office (purchasing@franklin.tn.gov).

Q7: Explain your claim reporting guidelines to your Claims TPA and how claims are reported, such as timeframe, reporting mechanism.

A7: We require the First Report of Injury be turned in within 24 hours of accident. We email it directly to the WC Supervisor at our insurance company. The form is a fillable PDF file located on the City's intranet.

Q8: Describe your staffing for internal claims administration. What are the related responsibilities and duties?

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A8: The Risk Manager and Risk Analyst are our internal claims administration. However, the day-to-day claims handling is done by the Risk Analyst. That person's duties include: managing and processing all workers' compensation claims, maintaining records, coordinating payments for time off and permanent disability due to work-related accidents, managing information and filing all claims under general liability, automobile, and other property and casualty insurance, filing reports on employee accidents involving City vehicles and equipment and property damage with the appropriate carriers, maintaining effective communication with claims adjusters, defense attorneys, law enforcement, and insurance company representatives regarding claims, litigation, and recovery of monies from losses caused by accidents or vandalism to City property and receiving, reviewing, and recording reports of property damage, theft, and vandalism, confirms information, submits claims to insurance carrier and monitors their progress, processes requests for reimbursement within deductible limits. The Risk Manager oversees the Risk Analyst.

Q9: Explain what PPO or bill reduction services you or your Claims TPA utilize.

A9: We do not know the PPO or bill reduction services our claims TPA utilizes.

Q10: Explain how initial medical attention and direction is given to the injured worker.

A10: All of the forms needed for an employee to report an injury is on the City's intranet. There are also step by step instructions to follow so an employee will know what forms are required and what physician they can see for a WC injury.

The following is an excerpt from one of the City's intranet pages:

Below are a list of forms and steps that an employee and their supervisor need to fill out in their ENTIRETY each time an accident or illness occurs or there is a near miss.

1. The employee should notify their supervisor immediately.
2. The supervisor will notify the HR Director/Risk Manager of the accident or illness.
3. The employee and their supervisor must complete three forms within twenty-four (24) hours of the accident or illness. The forms that must be filled out are [First Report of Injury](#), [Medical Waiver and Consent Form](#) and [Panel of Physicians](#).
4. The injured employee, immediate supervisor and any witnesses need to complete the [Risk Incident Form](#). This needs to be filled out as soon as possible and turned into the Risk Manager. You can find the form on this page under the Documents link, then click on Incident Report.
5. If an employee is given a prescription, DO NOT file with personal health insurance. Tell pharmacists the prescription is for a workers' compensation injury or illness and provide them with the [Rx Authorization Form](#).

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6. If there is a bloodborne or infectious disease exposure, contact Rodney Escobar, Risk Manager immediately at (615)708-6720 and fill out the [Exposure Control Document](#) form.

The injured employee has the option to see one of our three panel physicians. If the employee is injured after hours, they are sent to Williamson Medical Center's emergency room. If employee is referred to a specialist, then our insurance company issues another panel of three specialist doctors. We also conduct annual training on filling out these forms, and all new employees are trained in new employee orientation.

Q11: Describe your frequency of communication with your Claims TPA and what issues are covered. Who is your Case Management provider?

A11: We communicate with the claims TPA as needed. The case management provider is HealthTrac.

Q12: Describe your return to work program from a departmental and organizational standpoint.

A12: The following is the City's return to work policy in its entirety:

Return to Work Program

The City of Franklin Tennessee is committed to a return to work policy. This policy will facilitate employee's recovery and return them to meaningful work in a progressive and systematic manner.

In cooperation with the occupational physicians, the insurance company, rehabilitation consultants and the employee, the City of Franklin will make every effort to assist in the recovery of an injured employee and to minimize time away from work. The Risk Manager will coordinate employee participation in the program with the supervisor, occupational physician, employee and insurance carrier.

Work-related Injuries and Illnesses

I. Reporting Procedures and Responsibilities:

When notified of a work-related injury, the Supervisor shall complete a "First Report of Injury" and if feasible, review the report with the employee. The Supervisor shall have the employee complete and sign the "Employee's Choice of Physician" form (C42-G), "First Report of Injury" form (C20-G) and the "Medical Waiver and Consent" (form C31). After the completion of each form, the Supervisor shall submit the "First Report of Injury" form (C20-G). The "Employee's Choice of Physician" form (C42-G), and the "Medical Waiver and Consent (C31-G) to the Risk Manager within twenty-four (24) hours of notice of the work-related injury. The Risk Manager shall submit the "First Report of Injury", "Employee's Choice of Physician", and the "Medical

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Wavier and Consent” to the insurance carrier for notification that an injury has occurred.

The Risk Manager shall contact the employee and his/her occupational physician to advise them of the City’s return to work program and ask the provider to complete a Physician Medical Order of Limitations Release which is an evaluation indicating any restrictions. The employee shall report back to the Risk Manager with a completed Physician Medical Order of Limitations form after every occupational physician visit. If a doctor allows the injured employee to return to work, but on limited duty or work with restrictions, the *Risk Manager in conjunction with the Human Resources Director* shall decide whether there is “light duty” available for the injured employee. If light duty is not available, then the injured employee will be placed on workers’ compensation leave (On the Job Injury) approved by the Risk Manager or their designee.

After the Human Resources Director and Risk Manager review and determine if modified work is available, the Department Head will be notified of the injured employees light duty assignment. The original or copy of the Physicians Medical Order of Limitations form will be kept in Risk Management Office to ensure HIPPA compliance. No department shall keep either the original or a copy of the employees’ medical record information.

II. Modified Duty

Modified duty is any work within the employee’s physical capacities, as defined by the occupational physician in the most recent evaluation. All modified duty positions must be approved by the Risk Manager and/or the insurance carrier. Specialized and modified duty assignments will be developed on a case by case basis for each employee. Assignments must be meaningful and progressive in nature with the hope of returning the employee to full duty.

The Supervisor shall identify potential job tasks for the employee and complete a written job description for the modified duty position. Written job descriptions shall be submitted to the Risk Manager for approval. If the Risk Manager does not approve the modified duty position, the Supervisor will be notified of the reason for rejection and shall revise the recommendations.

The Supervisor shall meet with the employee before beginning work and shall review the restrictions specified by the occupational physician. The Supervisor shall emphasize the need for the employee to perform the job duties within the prescribed limitations.

There is no guarantee that Modified Duty work will be available in every situation. Moreover, the Modified Duty Program is not considered a regular full-time work.

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III. Termination or Changes in Modified Duty

The employee's modified duty status will end when the employee is either:

- released to regular duty/pre-injury status; or
- the employee has accepted an alternate position; or
- the employee has reached maximal medical improvement; or
- a meaningful job assignment is no longer available.

"Make work"/"created positions" and displacement of other employees will not be used to accommodate a modified duty position.

The maximum time period for which the City shall provide a modified duty position for a work related medical condition or injury shall be twelve (12) months. The City of Franklin Departmental Director, upon concurrency by the Human Resources Director and City Administrator, may extend the twelve (12) month limit should they deem the extension necessary.

The Supervisor shall monitor the employee's participation in the modified job program. The Supervisor shall report any problems with the employee's participation to the Risk Manager who will mediate the issues with the employee and the insurance carrier and will facilitate any modifications. The employee shall strictly adhere to the physicians' medical plan and set limitations. Any non-compliance to the medical plan by the employee may result in disciplinary action. The supervisor shall not allow the employee to perform a work task that clearly violates the employees' medical limitations and restrictions.

The employee shall provide the Risk Manager with written notice of the occupational physician's recommendations for new restrictions and/or changes to the previously approved modified job. The Risk Manager shall communicate recommendations for modifications to the Supervisor.

Any changes to the modified duty job must be approved by the Risk Manager.

IV. Medical Bills

The City of Franklin Human Resources staff will monitor and, if requested, intervene in ensuring payment for workers' compensation bills incurred as a result of a work related injury or illness. The City of Franklin Human Resources Department will also monitor for improper and unauthorized bills to prevent or stop payment.

V. Appointments

The City of Franklin Risk Manager will assist the employee in scheduling medical provider appointments, if requested, by the employee. For injured employees who return to work on light duty status, any time spent at medical or physical therapy appointments as follow-up treatment for any occupational injury or illness shall be considered time worked up to two hours and shall not be charged against any of the employee's accrued paid leave used to

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supplement workers' compensation payments. Any time in excess of two hours away from work shall be charged against the employees' accrued paid leave.

Non-Work Related Injuries and Illnesses

I. Employees incurring a non-work related medical condition or injury must present a full release to duty with no restrictions from their medical provider before returning to work. The City of Franklin may require a full duty release from a City approved physician prior to the employee's return to work. This may require that the employee release medical records to the City of Franklin.

The City of Franklin may request at its own expense a Fitness-For-Duty Examination and a psychological evaluation if applicable to be performed before the employee returns to work following a non-work-related injury or illness. In addition, the City may request, at its own expense, that an employee submit to a Fitness-For-Duty Examination when he/she demonstrates or communicates to the employer difficulty performing job tasks due to a non-work-related injury or illness. Employees will be subject to any departmental rules regarding retraining following a leave of absence.

II. The City of Franklin Departmental Director and Human Resources Director may allow an employee returning from a non-work related medical condition or injury to assume a modified duty position if available and/or appropriate. Such arrangements must be requested prior to the employee returning to work. The maximum time period for which the City shall provide a modified duty position for a non-work related medical condition or injury shall be thirty (30) working days. The City of Franklin Departmental Director, upon concurrence by the Human Resources Director, may extend the thirty (30) working day limit should they deem the extension necessary. At no time during the thirty (30) day work period or any granted extension is the City of Franklin creating a permanent position for the employee.

III. Employees taking prescription drugs that have the potential to impact their ability to perform their job safely must immediately notify their supervisor prior to the start of their work day. The type and strength of the drug, who prescribed it, length of prescription and any side effects associated with the prescription should be documented.

IV. Employees Procedures:

A. If an employee incurs a non-work related injury or illness that may impede their ability to work at full duty, it is required that the employee notifies their immediate supervisor as soon as possible.

B. It may be required that the employee release records and/or undergoes a physical examination by a City approved physician before returning to duty. The City will pay for any examination required.

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C. Employees incurring a non-work related medical condition or injury that is temporary in nature and not disabling, must present any request for modified duty to accommodate a non-work-related injury or illness prior to returning to the regular shift. If it is a temporary condition or injury with temporary restrictions, the Departmental Director in conjunction with the Human Resources Director and City Administrator may choose to have the employee come back with a full duty release with no restrictions. If it is a permanent disabling restriction, the employee will need to contact the Human Resources Director and Risk Manager in order to comply with the Americans with Disability Act requirements and to request reasonable accommodations.

Q13: Do you have a dedicated staff (including safety committees) to handle safety initiatives and, if so, what are their responsibilities?

A13: The staff in Human Resources that handle safety initiatives is the Human Resources Director, Risk Manager, Occupational Health and Safety Training Specialist and the Risk Analyst. We are currently re-establishing the safety committee. Each department/division will be represented. Their responsibilities include the coordination and dissemination of information discussed at safety committee meeting. They will handle safety discussions and safety meetings within their own department/division. They will assist the Risk Management division with rolling out new programs or assisting in special projects. For example, the Risk Manager is currently working on an Emergency Management Operational Plan and some of the safety committee members will be part of the plan in the capacity of an emergency management coordinator. This means they will take the lead in training and coordination in the event of an emergency.

Q14: Describe your safety program, including employee involvement and management commitment.

A14: The following is the introduction to the City's safety manual:

PURPOSE:

The City of Franklin, Tennessee holds in the highest regard the safety, health and general welfare of its employees. We believe that four elements are essential to operating a superior municipality and providing quality services to our citizens. Those elements are quality, efficiency, ergonomics and safety. Each element has equal importance.

The City of Franklin believes that accidents are preventable. Therefore, we will strive to provide a workplace free from recognized hazards by making corrective actions when incidents occur or when new hazards are discovered. The City will comply with all Federal/National, State and local safety and health regulations, and take all necessary measures to ensure worker safety to prevent injury and illness.

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MISSION:

Recognizing this, it shall be the City of Franklin, Tennessee's mission to maintain a safe work environment and provide quality services to our residents by:

1. Adhering to recognized operating practices to reduce risk.
2. Observing all federal/national and state safety requirements,
3. Providing compassionate care for the injured and returning them to meaningful work as soon as possible,
4. Providing safety training to all employees, and
5. Providing and maintaining drug free workplace.

RESPONSIBILITIES:

Department Directors:

The success of any safety program depends on management commitment and participation. The City of Franklin Tennessee Departmental Directors, with assistance from the Human Resources Director or designee, shall direct the safety effort by setting achievable goals, developing a specific plan of action, organizing the management system to accomplish these goals and controlling the system through a monitoring process. Most importantly, they will lead the safety efforts by their own example.

Human Resources Director:

The Human Resources Director or designee shall be assigned to assist all City departments meet compliance with all safety requirements. The Human Resources Director or designee shall provide reports to the City Administrator on a regular basis. The Human Resources Director or designee function shall be to provide advice and technical guidance, as well as, to organize the use of internal and external "safety resources." Additionally, the Human Resources Director or designee will recommend and or provide training and assist management in complying with the safety regulations and City safety goals.

Supervisors:

Supervisors are responsible for maintaining safe work conditions and ensuring proper safe work practices. They will be responsible for correcting unsafe acts by corrective action and training. In addition, supervisors will be responsible for ensuring that each member of their team receives proper safety training and the necessary physicals for each job classification.

Employees:

Employees are responsible for exercising maximum care and good judgment while performing their job tasks. Accidents will be prevented or eliminated by abiding by established work rules and reporting any unsafe condition or unsafe act that arises during work activities at the job site.

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Conclusion

As Mayor and City Administrator of this City, we assume ultimate responsibility for ensuring that the City of Franklin, Tennessee strives to provide the safest work environment possible and necessary safety training for all employees. Safety is one segment of our daily operations where we can, on a daily basis, live up to the challenge of preventing accidents and injuries.

Q15: Explain your accident reporting and investigative procedures.

A15: We currently use a risk incident form that was created in a Microsoft InfoPath format. This allows our employees to access the form immediately via the City's intranet. The form is set up to go up the employee's chain of command, up to and including the department director. The Risk Manager investigates all claims. For motor vehicle accidents, the Franklin Police department is called and they file a report. For motor vehicle accidents by sworn police employees, either the Williamson County Sheriff's department or Tennessee Highway Patrol is called and they conduct an investigation.

Q16: Describe your employee safety training program.

A16: We hired an occupational health and safety training specialist in May 2011. He trains City-wide on OSHA mandated courses such as bloodborne pathogens and lockout tagout training. We also run trend analysis to evaluate the areas and actions that result in the most injuries. We follow OSHA's guidelines for mandatory annual safety training.

Q17: Over the last five years, what major loss prevention initiatives have you instituted that you feel have had a significant effect on reducing loss exposure or safety culture. Please indicate when these initiatives were incorporated into your existing processes.

A17: FACTA Program, updating the Emergency Management Operational Plan Program (provides assistance of preparation for City employees in their families during a natural disaster), Personal Protective Equipment Program (which has resulted in all of public works employees to be provided winter, spring and summer apparel, which was previously the responsibility of the individual employee to purchase), Vehicle Matrix Program (to determine fair and consistent discipline for employees that caused vehicle accidents or property damage), CDL Volunteer Medical Card Program, Driver Safety Program. Prior to the Driver Safety Program's implementation, the City had an increase of vehicle accidents involving City employees. For instance in the 2008-2009FY, the City recorded a record high of fifty (50) automobile accidents involving employees and citizens which cost the City \$48,800 in property loss. In the 2009-2010FY, our Risk Manager teamed with the Fire and Police departments to formalize and implement the first Drivers Safety Program for all City employees. The result was a decrease of automobile accidents and losses, which were recorded at twenty-nine (29) automobile accidents and a property loss of \$24,600 at the end of 2009-2010FY.

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Q18: Do you have any incentive programs for management and employees incorporating safety and program results?

A18: The Risk Manager is currently working on an incentive program for management and employees incorporating safety and program results. We do not have one in place at this time.

Q19: In the past seven years have you had any claims or damages (parts of claims) that were not covered or excluded by your current insurance carrier? If so, please identify those claims individually and provide the dollar amount that you had to pay out of City funds by claim. This is particularly important regarding the Errors or Omissions Liability claims.

A19: The answer to this question will be provided in Addendum No. 4.

Q20: As respects any Law Enforcement, Errors or Omissions, and Employment Related claims within the past seven years, please identify those claims that were lawsuits that were won (either at trial or through summary judgment), those claims that were lawsuits that were lost at trial, and those claims that were settled out of court through mediation. Please include the amount of money that the City had to contribute in order to settle those claims through mediation.

A20: The answer to this question will be provided in Addendum No. 4.

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15. Acknowledge receipt of addendum: Proposers shall acknowledge receipt of this addendum on the Proposal Submittal Form in the space to the right of the text on that form that reads, "Receipt acknowledged of any and all issued addenda to this solicitation."
16. Questions: The deadline for optional submittal in writing of questions seeking to revise or clarify any aspect of this procurement solicitation has now passed. To ask questions of a procedural nature, please contact:

City of Franklin Purchasing Office
Franklin City Hall, Suite 107
109 3rd Ave. South
Franklin, TN 37064
purchasing@franklinton.gov
Tel: 615/550-6692
Fax: 615/550-0079
17. Communication with City during procurement phase: Any questions about either the content of or the procurement process pertaining to this procurement solicitation should be addressed as described above. Until the procurement award has been made, vendors shall not communicate about either the content of or the procurement process pertaining to this procurement solicitation with any official, employee or other representative of the City except through the City's Purchasing Office. The City reserves the right to disqualify any vendor that initiates unauthorized communication with the City during the procurement phase.